

Message Text

LIMITED OFFICIAL USE

PAGE 01 STOCKH 05381 231253Z

ACTION EB-08

INFO OCT-01 EUR-12 EA-10 IO-13 ISO-00 SSO-00 NSCE-00

USIE-00 INRE-00 AGRE-00 CEA-01 CIAE-00 COME-00

DODE-00 FRB-03 H-01 INR-07 INT-05 L-03 LAB-04

NSAE-00 PA-01 CTME-00 AID-05 SS-15 STR-05 ITC-01

TRSE-00 PRS-01 SP-02 SOE-01 OMB-01 DOE-12 /112 W

-----002631 231254Z /53

O R 231154Z DEC 77

FM AMEMBASSY STOCKHOLM

TO SECSTATE WASHDC IMMEDIATE 2613

INFO AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BELGRADE

AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY CANBERRA

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY HELSINKI

AMEMBASSY LISBON

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY OSLO

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY REYKJAVIK

AMEMBASSY ROME

AMEMBASSY THE HAGUE

AMEMBASSY TOKYO

AMEMBASSY VIENNA

AMEMBASSY WELLINGTON

USMISSION GENEVA

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STOCKH 05381 231253Z

LIMITED OFFICIAL USE STOCKHOLM 5381

USOECD

USEEC

E.O. 11652: N/A

TAGS: ETRD, EIND, EC, JA, SW

SUBJECT: SWEDISH GOVERNMENT REACTIONS TO US AND EC STEEL TRADE
PLANS

REF: STOCKHOLM 5204

1. GOS DEEPLY PREOCCUPIED WITH STEEL TRADE QUESTIONS, ACCORDING TO MFA OFFICIAL. HE REPORTS THAT EC PLAN PLACES SWEDEN IN THE SAME CATEGORY AS JAPAN, DESPITE SWEDEN'S ASSOCIATED STATUS, AND IT IS LIKELY THAT SWEDISH REPRESENTATIVE VON SYDOW WILL PRESENT A PORTEST IN BRUSSELS. THE GOS IS MEETING ON DECEMBER 27 FOR FULL-SCALE DISCUSSIONS, AND NORDIC REPRESENTATIVES WILL MEET ON DECEMBER 28 AS FOLLOW-ON. MEANTIME ERIC HOOK, DIRECTOR OF SWEDEN'S IRON AND STEEL INSTITUTE, WILL BE IN WASHINGTON ON DECEMBER 28 FOR "CONSULTATIONS" ON THE US TRIGGER PRICE PLAN. THE HOOK VISIT WILL BE FOLLOWED BY SWEDISH MINISTER OF COMMERCE, STAFFAN BURENSTAM LINDER'S VISIT TO NEW YORK AND WASHINGTON DURING THE WEEK OF JANUARY 9-13, WHEN THE STEEL TRADE IS SURE TO BE DISCUSSED AGAIN.

2. MFA OFFICIAL HAD BEEN TOLD BY SWEDISH EMBASSY WASHINGTON THAT THE REGULATIONS FOR THE SOLOMON PLAN WOULD BE DISTRIBUTED TO THE FIELD DURING THIS PAST WEEK. WHAT IS STATUS OF THE REGULATIONS? WHEN CAN WE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STOCKH 05381 231253Z

EXPECT THEM? IT IS ALSO UNDERSTANDING OF MFA THAT REGULATIONS WILL BE DISTRIBUTED BEFORE THE PRICE SCHEDULES, WHICH SOMEWHAT FRUSTRATES THE SWEDES BECAUSE THEY CAN ASSESS THE IMPACT OF THE TRIGGER PRICE SYSTEM ONLY WHEN THEY KNOW ITS SCOPE--I.E., THE EXACT PRODUCTS INVOLVED--AND THE PRICES. THEY UNDERSTAND THAT THE US IRON AND STEEL INSTITUTE BLUE BOOK WILL BE USED FOR GUIDANCE FOR ESTABLISHING STEEL CATEGORIES (32 CATEGORIES IN ALL, DIVIDED ACCORDING TO PHYSICAL FORM RATHER THAN QUALITY OR CHEMICAL CONTENT).

3. COMMENT. IN TALK WITH HOOK ON DECEMBER 14, EMBASSY OFFICER WAS TOLD THAT SWEDES ASSUME THAT STAINLESS STEEL PRODUCTS UNDER QUOTA (SHEET AND STRIP, PLATE, BARS, RODS, AND TOOL STEEL) WILL NOT BE CONTROLLED BY THE NEW PLAN, WHILE OTHER ALLOYED STEEL AND UNALLOYED HIGH-CARBON STEEL ARE PROBABLY INCLUDED IN THE PLAN. THE FORMER CATEGORY OF STEEL PRODUCTS WHICH SWEDEN EXPORTED TO THE US IN 1976 TOTALLED \$157 MILLION, AND THE LATTER \$173 MILLION. IN ADDITION, COMMERCIAL GRADES OF STEEL, WHICH ARE INCLUDED IN THE PLAN, AMOUNTED TO ONLY \$40 MILLION IN 1976, AND ARE OF CONSIDERABLY LESS IMPORTANCE

TO SWEDISH STEEL PRODUCERS. HOOK NOTED THAT SWEDES ANTICIPATE REAL PROBLEMS IN DEFINITION FOR AN ARRAY OF SPECIAL STEEL, PARTICULARLY THOSE WHICH ARE CUSTOM-MADE FOR US END-USERS. HE WILL UNDOUBTEDLY RAISE THESE ISSUES AS WELL AS THE EXACT US CUSTOMS PROCEDURES WHICH WILL PREVAIL. HOOK ALSO TOLD THE PRESS ON DECEMBER 21 HE FEARED THAT EC AND US MEASURES WOULD PUT MORE PRESSURE ON SWEDISH MARKET FROM JAPAN, SOUTH KOREA, SOUTH AFRICA, AND BRAZIL. CONSEQUENTLY, HE THOUGHT SWEDEN SHOULD IMPOSE THE SAME CONTROLS. HE WILL DOUBTLESS POINT THIS OUT TOO, IN HIS WASHINGTON TALKS. POSSIBLY THE GOS MEETING ON DECEMBER 27 WILL ACT ALONG THESE LINES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STOCKH 05381 231253Z

4. ACTION REQUESTED. ADVISE IMMEDIATELY WHEN WE CAN EXPECT SOLOMON PLAN REGULATIONS. AND, IF POSSIBLE, WHAT IS EXPECTED DATE WHEN THE PRICE SCHEDULES WILL BE RELEASED?
KENNEDY-MINOTT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: STEEL, TRADE, STEELS
Control Number: n/a
Copy: SINGLE
Sent Date: 23-Dec-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STOCKH05381
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770479-0905
Format: TEL
From: STOCKHOLM USOECD
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19771220/aaaaaqij.tel
Line Count: 141
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: d0b1cafd-c188-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STOCKHOLM 5204
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 135868
Secure: OPEN
Status: NATIVE
Subject: SWEDISH GOVERNMENT REACTIONS TO US AND EC STEEL TRADE PLANS
TAGS: ETRD, EIND, EC, JA, SW
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/d0b1cafd-c188-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009